

IT-611S

S CORPORATION
Georgia Income Tax
Forms for 2000
AND GENERAL INSTRUCTIONS



FROM THE COMMISSIONER

This booklet is designed to assist S Corporations in complying with their obligation to file Georgia corporate tax returns. It contains the forms and schedules required by most S Corporations. On pages 2-3, is a "New Information" section that I recommend you review because some of the changes may affect your business.

Our goal is to help you get the information that you need in a timely and efficient manner. Two resources you might find helpful in getting information and tax forms quickly are our Internet web site and fax-on-demand system. Our web site address is <http://www2.state.ga.us/departments/dor/>. The fax-on-demand number is (404) 656-4293. A listing of other useful telephone numbers is on page 3.

Everyone at the Department of Revenue is committed to providing you with prompt and courteous service. Please contact us if you have questions pertaining to your corporate return or any other tax related matter.

T. JERRY JACKSON
Commissioner

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GENERAL INSTRUCTIONS

INCOME TAX

INTRODUCTION

The Georgia law recognizes an election to file as an S Corporation under the provisions of the IRC as it existed on January 1, 2000, qualified only in cases of nonresident shareholders, who must complete Form 600 S-CA (see page 6). It also provides for the imposition of a Net Worth Tax.

FILING REQUIREMENTS

All corporations owning property or doing business within Georgia are required to file a Georgia Income Tax return. Please round all dollar entries. A corporation electing the provisions for S Corporations of the IRC, having one or more stockholders who are nonresidents of Georgia, must file a consent Form 600 S-CA on behalf of each such nonresident. Failure to furnish properly executed Forms 600 S-CA for all nonresident stockholders negates Georgia recognition of the election, requiring each corporation to file on Form 600, and to pay the regular corporate tax. Georgia resident shareholders of Subchapter "S" corporations may make an adjustment to federal adjusted gross income for Subchapter "S" income where the Subchapter "S" election is not recognized for Georgia purposes or by another State. The adjustment is allowed in order to avoid double taxation on this type of income. Therefore, this adjustment will be allowed only if tax was actually paid by the corporation to Georgia or to the other state(s).

WHEN AND WHERE TO FILE

The return is due on or before the 15th day of the 3rd month following the close of the taxable year. This means March 15th, if on the calendar year basis. Returns should be mailed to Georgia Income Tax Division, P.O. Box 740391, Atlanta, Georgia 30374-0391.

EXTENSION OF TIME

A reasonable extension of time for filing may be granted by the Commissioner upon application on Form IT-303 filed prior to the date the return is due showing that the delay is due to a reasonable cause. Georgia law prohibits the granting of an extension of over 6 months from the due date of the return.

If taxpayer has received from the Internal Revenue Service an extension of time within which to file his Federal return, taxpayer need not apply to the Georgia Department of Revenue for a similar extension of time. All that is required is a copy of the request for the Federal extension to be attached to the Georgia return. The form IT-560-C is to be used to submit any payment of tax when an extension is requested or in force. Interest accrues at the rate of 12% per year on any tax due from the regular due date of the return until paid. If tax is not paid by the regular due date of the return, a late payment penalty of 1/2 of 1% per month will accrue until tax is paid.

RELATION TO FEDERAL RETURN

The Georgia return is correlative with the Federal return in most respects. The accounting period and method for the Georgia return must be the same as the Federal. A copy of the Federal return and all supporting schedules must be attached to the Georgia return.

If a Federal audit results in a change in taxable income, the taxpayer shall make a return to the commissioner, of the changed or corrected net income, within 180 days of final determination to: Georgia Income Tax Division, P.O. Box 38467, Atlanta, Georgia 30334.

COMPUTING GEORGIA TAXABLE INCOME

SCHEDULE 1

If an S Corporation is required to pay a tax on the federal level, it may be required to pay a tax on the state level. This schedule applies only to S Corporations which have converted from a C Corporation and are subject to the corporate income tax due to

Excess Net Passive Investment Income, Capital Gains or Built in Capital Gains. This income would be apportioned to Georgia by multistate S Corporations.

ADJUSTMENT TO FEDERAL INCOME OF SHAREHOLDERS

To determine total income for Georgia purposes, certain additions and subtractions as provided by Georgia tax laws are included in the Schedule 8 computation. Lines 8 and 10 of Schedule 8 are provided for the modifications required by Georgia Law. The total of additions to Georgia income is to be shown on line 8 of Schedule 8 and listed in Schedule 5. The total of subtractions from Federal income is to be shown on line 10, Schedule 8, and listed in Schedule 6. The more commonly used items are listed in each of these schedules. **Any deductions which are subject to further limitations such as section 179 deduction, charitable contributions, etc. are not deductible in the calculation of Total Income for Georgia purposes. These items are deductible, based on the percentage of ownership, by the individual shareholder on his or her individual tax return.**

Taxpayers who are parties to state contracts may subtract from Federal taxable income or Federal adjusted gross income 10% of qualified payments to minority subcontractors or \$100,000, whichever is less, per taxable year. A list of certified minority subcontractors will be maintained by the Commissioner of Administrative Services for the Revenue Department and general public. (For further information, call (404) 656-6315.)

SCHEDULES 7 and 9 Apportionment and Allocation of Income

If any corporation, domestic or foreign, is doing business both within and without Georgia, the Georgia ratio as computed in Schedule 7 should be used to compute Georgia taxable income for nonresidents.

Schedule 8 reflects flow through income from the federal return which is taxable to the individual shareholder. A resident shareholder is required to report his full share of corporate income or loss and the long-term capital gain. A nonresident shareholder, however, is required to report only his share of the apportioned and allocated income. The general instructions for computing the apportionment ratio and apportioned and allocated income are furnished below. If the business income of the corporation is derived from property owned or business done within the State and in part from property owned or business done without the State, the tax shall be imposed only on that portion of the business income which is reasonably attributable to the property owned and business done within the State, to be determined as follows:

(1) Interest received on bonds held for investment and income received from other intangible property held for investment are not subject to apportionment. Rentals received from real estate held purely for investment purposes and not used in the operation of the business are also not subject to apportionment. All expenses connected with the interest and rentals realized from such investments are likewise not subject to apportionment but must be applied against the investment income. The net investment income from intangible property shall be allocated to Georgia if the situs of the corporation is in Georgia or the intangible property was acquired as income from property held in Georgia, or as a result of business done in Georgia. The net investment income from tangible property in Georgia shall be allocated to Georgia.

(2) Gain from the sale of tangible or intangible property not held, owned or used in connection with the trade or business of the corporation nor for sale in the regular course of business shall be allocated to the State if the property held is real or tangible personal

property situated in the State, or intangible property having an actual situs or a business situs within the State. Otherwise, such gains shall be allocated outside the State.

(3) Net income of the above classes having been separately allocated and deducted, the remainder of the net business income shall be apportioned by application of the following:

THREE FACTOR FORMULA

(a) Property Factor. The property factor is composed of the average value of real and tangible personal property owned or rented and used during the taxable year. Property owned is valued at its original cost. Property rented is valued at eight times the net annual rental rate. The net annual rental rate is the annual rental rate paid less any annual rate received from any sub-rentals.

(b) Payroll Factor. The payroll factor is the ratio of all salaries, wages, commissions, and other compensation paid by the taxpayer in this State for personal services performed by employees in connection with the trade or business of the taxpayer during the taxable year to the total salaries, wages, commissions, and other compensation paid by the taxpayer for personal services performed by employees in connection with its entire trade or business, wherever conducted, during the taxable year. Payments made to an independent contractor or any other person not properly classified as an employee are excluded. Compensation is paid in this State if the employee's service outside Georgia is incidental to the service performed in this State or some of the service is performed in Georgia and the base of operations from which the service is directed is in this State, or some of the service is performed in Georgia and the base of operations from which the service is directed is not in any State where some part of the service is performed but the employee's residence is in Georgia.

(c) Gross Receipts Factor. The gross receipts factor is the ratio of gross receipts from business done within this State to total gross

receipts from business done everywhere. Receipts shall be deemed to have been derived from business done within this State only if received from products shipped to customers in this State, or delivered within this State to customers.

The purpose of the gross receipts factor is to measure the marketplace for the taxpayer's goods and services.

When receipts are derived from the sale of tangible personal property, receipts shall be deemed to have been derived from business done in this State if they were received from products shipped to customers in this State or products delivered within this State to customers.

When receipts are derived from business other than the sale of tangible personal property, receipts shall be deemed to have been derived from business done in this State if they were received from customers within this State or if the receipts are otherwise attributable to this State's marketplace.

(d) The apportionment factors determined above shall be weighted 25% to property, 25% to payroll and 50% to sales. If the denominator for either the property or payroll factor is zero, the weighted percentage for the other will be 33-1/3% and the weighted percentage for the sales factor will be 66-2/3%. If the denominator for the sales is zero, the weighted percentage for the property and payroll will change to 50% each. If the denominators for any two factors are zero, the weighted percentage for the remaining factor will be 100%.

(e) Apportionment of Income; Business Joint Ventures and Business Partnerships. A corporation which is involved in a business joint venture, or is a general partner in a business partnership, must include its pro rata share of the joint venture or partnership property, payroll and gross receipts values in its own apportionment formula.

BASIC SKILLS EDUCATION CREDIT

Basic Skills Education Credit available for offset against income tax per this return should be claimed on line 3 of Schedule 4, and supported by a completed copy of Georgia Form IT-BE.

NEW INFORMATION

The following house bills were passed by the 2000 legislature:

HB 272 (O.C.G.A. §48-7-29.6) The Georgia housing tax credit provides for a credit equal to the federal housing tax credit, which is related to Georgia projects. Effective for tax years beginning after 1/1/2001.

HB 801 (O.C.G.A. §48-7-40.16 and .19) This bill increases the tax credit for low-emission vehicles to \$2,500 for the purchase or lease of an electric vehicle, or for an electric vehicle charger located in a covered area. The bill also rewards the installation of diesel particulate emission reduction technology equipment at any truck stop, depot or other facility. Effective for tax years beginning after 1/1/2001.

HB 1134 (O.C.G.A. § 48-7-29.3 and 48-7-40.18) This bill provides for a credit for companies qualifying under 48-7-31(d)(1) for an additional credit based on jobs created in this state. This change is applicable to all taxable years beginning on or after January 1, 2001.

HB 1215 (O.C.G.A. §48-7-42) Expands provisions allowing transfer of credits to "affiliated groups". Newly added are entities affiliated with a corporation, business, partnership, or LLC, which entity owns the land on which a project is constructed, provides capital for construction of the project, and is the grantor or owner under a management agreement with a managing company of the project. New provisions are effective for tax years beginning on or after 1/1/2000. (NEW INFORMATION continues on page 4)

NEW INFORMATION (continued from page 2)

HB 1349 (O.C.G.A. §48-2-35, 48-7-112 and 48-7-121) Increases interest rates on eligible refunds from 9% to 12% effective after 1/1/2001.

HB 1452 (O.C.G.A. §48-7-29.7, 48-6-93(e), and 48-6-95(e)) This bill makes the current credit for license and occupation tax credit paid by financial institutions available for flow through to shareholders of an S-Corporation. The change is applicable to tax years beginning on or after 1/1/2001.

HB 1455 (O.C.G.A. §48-7-40.20) This bill provides a credit for the export of cigarettes. It is available for tax years beginning on or after 1/1/2000.

HB 1509 (O.C.G.A. §48-7-40, 48-7-40.1, 48-7-40.4, 48-7-40.9(b), 48-7-40.15 and 48-7-40.17) Changes Georgia's Job Tax Credit program by adding a new 4 tiered system, with increased dollar values for the credits in all tiers. Also tiers 1 and 2 will be allowed to offset 100% of the tax liability, and Corporate Headquarters and tier 1 business may earn withholding tax credit as well. This change is effective for tax years beginning on or after January 1, 2001.

If you have any questions about any of these new laws call the corporate tax conferee's office at 404-656-4171. Georgia law can be found at www.ganet.org/services/ocode/ocgsearch.htm.

INSTRUCTIONS FOR NONRESIDENT SHAREHOLDERS

Nonresident shareholders of corporations doing business both within and without Georgia shall compute their proportionate part of the corporation's allocated and apportioned income from the schedules on Page 2 of the 600S. The Georgia Net Income of Nonresidents computed on line 7 of schedule 9 should be multiplied by the percentage of stock owned. The result of this calculation yields the taxable income of the nonresident which should be reported on the Georgia individual tax return. Under Section 48-7-21(b)(7)(B) of the Georgia Income Tax Act and Regulations 560-7-3-.06(6) all nonresident shareholders must execute an agreement FORM 600S-CA wherein said shareholders agree to pay Georgia income tax on their proportionate part of the corporation's Georgia taxable income or the S Corporation election will be terminated by the Commissioner.

Special Note: Any S Corporation with nonresident members shall be subject to a withholding tax, unless a composite return, Form IT-CR, is filed or the aggregate annual distribution made to members is less than \$1,000.00. Permission will not be required to file the composite return. A statement in the return indicating that composite filing is being used is sufficient. For composite filing information, call (404) 656-4188.

CORPORATION ESTIMATED TAX

Income on most S Corporations flows through to the individual shareholders and estimated tax is paid accordingly at the individual level. If your S Corporation must pay estimated tax at the corporate level, see the IT-611 booklet for instructions on how to file or call (404) 656-4191 for blank forms and instructions.

TELEPHONE ASSISTANCE

Centralized Taxpayer Registration Unit	404-651-8651
Employee Withholding Information.....	404-656-4181
Corporation and Net Worth Tax Return Information	404-656-4165/6
Individual Income Tax Return Information.....	404-656-4071
Corporation Refund Inquiry.....	404-656-4173
Corporation Return Processing, Forms, Estimates and Prepayment of Tax.....	404-656-4191
Income Tax Forms	404-656-4293
Estate and Tax Exempt Organization Information	404-656-7043
Income Tax Director's Office	404-656-4095
Compliance Division	404-651-5419

FORM 600SGEORGIA S CORPORATION
TAX RETURN
DEPARTMENT OF REVENUE
INCOME TAX DIVISION (Rev. 8/00)**2000** INCOME TAX RETURN

Beginning _____

Ending _____

2001 NET WORTH TAX RETURN

Beginning _____

Ending _____

() ORIGINAL RETURN () INITIAL NET WORTH () NEW CORPORATION () NAME CHANGE
() AMENDED RETURN () FINAL RETURN (Attach explanation) () ADDRESS CHANGE () C CORPORATION LAST YEAR

A. Federal Employer Id. No.	Name (Corporate title) Please give former name if applicable.	E. Date of Incorporation
B. Ga. W/hold. Tax Acct. No.	Business Address (Number and Street)	F. Incorporated under laws of what state
C. Ga. Sales Tax Reg. No.	City or Town County State Zip Code No.	G. Date admitted into Georgia
D. Standard Industrial Classification Code	Location of books for Audit Telephone Number	H. Kind of Business
I. Number of Shareholders _____ Are there Nonresident Shareholders Y/N _____		
J. Indicate latest taxable year adjusted by IRS ➤ _____ And when reported to Georgia ➤ _____		
K. Federal Ordinary Income (1120S, Line 21, Copy of Federal Return MUST be attached). ➤ \$ _____		
L. Location of principle place of business in Georgia _____		

COMPUTATION OF TAX ON GEORGIA TAXABLE INCOME

(ROUND TO NEAREST DOLLAR)

SCHEDULE 1

1. Georgia Taxable Income..... ➤	1	
2. Tax - 6% x Line 1	2	

COMPUTATION OF NET WORTH RATIO (To be used by Foreign Corporations Only) (ROUND TO NEAREST DOLLAR)**SCHEDULE 2**

	a. Within Georgia	b. Total Everywhere	c. Ga. ratio (a / b)
1. Total value of property owned (Total Assets from Balance Sheet).....	1		
2. Gross receipts from business.....	2		
3. Totals (Line 1 plus Line 2).....	3		
4. Georgia ratio (Divide Line 3(a) by 3 (b)).....			4

COMPUTATION OF NET WORTH TAX

(ROUND TO NEAREST DOLLAR)

SCHEDULE 3

1. Total Capital stock issued.....	1	
2. Paid in or capital surplus.....	2	
3. Total retained earnings.....	3	
4. Net worth (Total of Lines 1, 2, and 3)..... ➤	4	
5. Ratio (Ga. and Dom. For. Corp.-100%) (Foreign Corp. - Line 4, Sch.2)..... ➤	5	
6. Net worth taxable by Georgia (Line 4 x Line 5).....	6	
7. Net worth tax (From table in instructions).....	7	

COMPUTATION OF TAX DUE OR OVERPAYMENT

(ROUND TO NEAREST DOLLAR)

SCHEDULE 4

	a. Income Tax	b. Net Worth Tax	c. Total
1. Total Tax (Line 2, Schedule 1, and Line 7, Schedule 3).....			1
2. Less: Credits and payments of estimated tax.....			2
3. Less Credits Claimed: Job <input type="checkbox"/> Investment <input type="checkbox"/> Retraining <input type="checkbox"/> Child Care <input type="checkbox"/> Research <input type="checkbox"/> Small Co. Growth <input type="checkbox"/> Port Activity <input type="checkbox"/> Basic Skills <input type="checkbox"/> Other <input type="checkbox"/>			3
4. Balance of tax due (Line 1, less Line 2 and Line 3).....			4
5. Amount of overpayment (Line 2 and Line 3 less Line 1).....			5
6. Interest due (See Instructions).....			6
7. Penalties due (See Instructions).....			7
8. Balance of Tax, Interest and Penalties due with return.....			8
9. Amount of Line 5 to be credited to 2001 estimated tax ➤			

Refunded ➤

DECLARATION: I/We declare under the penalties of perjury that I/We have examined this return (including accompanying schedules and statements) and to the best of our knowledge and belief it is true, correct and complete. If prepared by a person other than taxpayer, their declaration is based on all information of which they have any knowledge.

SIGNATURE OF OFFICER _____

TITLE _____ Date _____

SIGNATURE OF INDIVIDUAL OR FIRM PREPARING THE RETURN _____

IDENTIFICATION OR SOCIAL SECURITY NUMBER _____

MAKE CHECK PAYABLE TO: GEORGIA INCOME TAX DIVISION. MAIL TO: GEORGIA
INCOME TAX DIVISION, P.O. BOX 740391, ATLANTA, GEORGIA 30374-0391GEORGIA PUBLIC REVENUE CODE SECTION 48-2-31 STIPULATES THAT TAXES SHALL
BE PAID IN LAWFUL MONEY OF THE UNITED STATES
FREE OF ANY EXPENSE TO THE STATE OF GEORGIA

ADDITIONS TO FEDERAL INCOME

(ROUND TO NEAREST DOLLAR)

SCHEDULE 5

1. State and municipal bond Interest (Other than Georgia or political subdivision thereof).....
2. Net income or net profits taxes imposed by taxing jurisdictions other than Georgia.....
3. Expense attributable to tax exempt income.....
4. Accelerated depreciation (ACRS) deducted on Federal return (Electing Corporations Only).....
5. Other Additions.....
6. Total (Add Lines 1 through 5) Enter here and on Line 8, Schedule 8.....

1
2
3
4
5
6

SUBTRACTIONS FROM FEDERAL INCOME**SCHEDULE 6**

1. Interest on obligations of United States
2. Depreciation allowed per I.R. Code as of 1-1-81 (ACRS-ASSETS) (Electing Corporations Only).....
3. Other subtractions
4. Total (Add Lines 1 through 3) Enter here and on Line 10, Schedule 8.....

1
2
3
4

APPORTIONMENT OF INCOME (Part 1)**SCHEDULE 7**

	WITHIN GEORGIA		TOTAL EVERYWHERE	
	a. Beginning of year	b. End of year	a. Beginning of year	b. End of year
1. Inventories.....				
2. Buildings (cost).....				
3. Machinery & Equipment				
4. Land				
5. Other Tangible Assets				
6. Total (Lines 1 through 5)				
7. Average (Add columns a and b and divide by 2)				
8. Rented Property (Annual Rate x 8)				
9. Total Property				

APPORTIONMENT OF INCOME (Part 2)

	a. Within Georgia	b. Everywhere (If this figure is 0 see instructions on page 2)	c. Do not round col. (a) / col. (b) Compute to Six Decimals	d. Do not round Georgia Factor Compute to Six Decimals
1. Total Property (Part 1 line 9).....			x 0.25	
2. Salaries, wages, commissions & compensation			x 0.25	
3. Gross receipts from business.....			x 0.50	
4. Georgia ratio (Total column d)				

COMPUTATION OF TOTAL INCOME FOR GEORGIA PURPOSES**SCHEDULE 8**

1. Ordinary income (loss) per Federal return.....
2. Net income (loss) from rental real estate activities
- 3 a. Gross income from other rental activities.....
- b. Less expenses
- c. Net business income from other rental activities
4. Portfolio income (loss):
 - a. Interest Income
 - b. Dividend Income
 - c. Royalty Income
 - d. Net short-term capital gain (loss)
 - e. Net long-term capital gain (loss)
 - f. Other portfolio income (loss)
5. Net gain (loss) under section 1231
6. Other Income (loss)
7. Total Federal income (Add Lines 1 through 6)
8. Additions to Federal income (Schedule 5 above).....
9. Total (Add Lines 7 and 8)
10. Subtractions from Federal income (Schedule 6 above)
11. Total income for Georgia purposes (Subtract Line 10 from Line 9)

3a
3b

1
2
3c
4a
4b
4c
4d
4e
4f
5
6
7
8
9
10
11

COMPUTATION OF GEORGIA NET INCOME

(ROUND TO NEAREST DOLLAR)

SCHEDULE 9

1. Total income for Georgia purposes (Line 11, Schedule 8).....
2. Income allocated everywhere (Attach Schedule)
3. Business income subject to apportionment (Line 1 less Line 2)
4. Georgia ratio (Line 4, Part 2, Schedule 7)
5. Net business income apportioned to Georgia (Line 3 x Line 4)
6. Net income allocated to Georgia (Attach Schedule)
7. Total Georgia net income (Add Line 5 and Line 6)

4

1
2
3
4
5
6
7

FORM 600SGEORGIA S CORPORATION
TAX RETURN
DEPARTMENT OF REVENUE
INCOME TAX DIVISION (Rev. 8/00)**2000** INCOME TAX RETURN

Beginning _____

Ending _____

2001 NET WORTH TAX RETURN

Beginning _____

Ending _____

- () ORIGINAL RETURN () INITIAL NET WORTH () NEW CORPORATION () NAME CHANGE
() AMENDED RETURN () FINAL RETURN (Attach explanation) () ADDRESS CHANGE () C CORPORATION LAST YEAR

A. Federal Employer Id. No.	Name (Corporate title) Please give former name if applicable.	E. Date of Incorporation
B. Ga. W/hold. Tax Acct. No.	Business Address (Number and Street)	F. Incorporated under laws of what state
C. Ga. Sales Tax Reg. No.	City or Town County State Zip Code No.	G. Date admitted into Georgia
D. Standard Industrial Classification Code	Location of books for Audit Telephone Number	H. Kind of Business
I. Number of Shareholders _____ Are there Nonresident Shareholders Y/N _____		
J. Indicate latest taxable year adjusted by IRS ➤ _____ And when reported to Georgia ➤ _____		
K. Federal Ordinary Income (1120S, Line 21, Copy of Federal Return MUST be attached). ➤ \$ _____		
L. Location of principle place of business in Georgia _____		

COMPUTATION OF TAX ON GEORGIA TAXABLE INCOME

(ROUND TO NEAREST DOLLAR)

SCHEDULE 1

1. Georgia Taxable Income..... ➤	1	
2. Tax - 6% x Line 1	2	

COMPUTATION OF NET WORTH RATIO (To be used by Foreign Corporations Only) (ROUND TO NEAREST DOLLAR)**SCHEDULE 2**

	a. Within Georgia	b. Total Everywhere	c. Ga. ratio (a / b)
1. Total value of property owned (Total Assets from Balance Sheet).....	1		
2. Gross receipts from business.....	2		
3. Totals (Line 1 plus Line 2).....	3		
4. Georgia ratio (Divide Line 3(a) by 3 (b)).....			4

COMPUTATION OF NET WORTH TAX

(ROUND TO NEAREST DOLLAR)

SCHEDULE 3

1. Total Capital stock issued.....	1	
2. Paid in or capital surplus.....	2	
3. Total retained earnings.....	3	
4. Net worth (Total of Lines 1, 2, and 3)..... ➤	4	
5. Ratio (Ga. and Dom. For. Corp.-100%) (Foreign Corp. - Line 4, Sch.2)..... ➤	5	
6. Net worth taxable by Georgia (Line 4 x Line 5).....	6	
7. Net worth tax (From table in instructions).....	7	

COMPUTATION OF TAX DUE OR OVERPAYMENT

(ROUND TO NEAREST DOLLAR)

SCHEDULE 4

	a. Income Tax	b. Net Worth Tax	c. Total
1. Total Tax (Line 2, Schedule 1, and Line 7, Schedule 3).....			1
2. Less: Credits and payments of estimated tax.....			2
3. Less Credits Claimed: Job <input type="checkbox"/> Investment <input type="checkbox"/> Retraining <input type="checkbox"/> Child Care <input type="checkbox"/> Research <input type="checkbox"/> Small Co. Growth <input type="checkbox"/> Port Activity <input type="checkbox"/> Basic Skills <input type="checkbox"/> Other <input type="checkbox"/>			3
4. Balance of tax due (Line 1, less Line 2 and Line 3).....			4
5. Amount of overpayment (Line 2 and Line 3 less Line 1).....			5
6. Interest due (See Instructions).....			6
7. Penalties due (See Instructions).....			7
8. Balance of Tax, Interest and Penalties due with return.....			8
9. Amount of Line 5 to be credited to 2001 estimated tax ➤			

Refunded ➤

DECLARATION: I/We declare under the penalties of perjury that I/We have examined this return (including accompanying schedules and statements) and to the best of our knowledge and belief it is true, correct and complete. If prepared by a person other than taxpayer, their declaration is based on all information of which they have any knowledge.

SIGNATURE OF OFFICER

TITLE Date

SIGNATURE OF INDIVIDUAL OR FIRM PREPARING THE RETURN

IDENTIFICATION OR SOCIAL SECURITY NUMBER

MAKE CHECK PAYABLE TO: GEORGIA INCOME TAX DIVISION. MAIL TO: GEORGIA
INCOME TAX DIVISION, P.O. BOX 740391, ATLANTA, GEORGIA 30374-0391GEORGIA PUBLIC REVENUE CODE SECTION 48-2-31 STIPULATES THAT TAXES SHALL
BE PAID IN LAWFUL MONEY OF THE UNITED STATES
FREE OF ANY EXPENSE TO THE STATE OF GEORGIA

ADDITIONS TO FEDERAL INCOME

(ROUND TO NEAREST DOLLAR)

SCHEDULE 5

1. State and municipal bond Interest (Other than Georgia or political subdivision thereof).....
2. Net income or net profits taxes imposed by taxing jurisdictions other than Georgia.....
3. Expense attributable to tax exempt income.....
4. Accelerated depreciation (ACRS) deducted on Federal return (Electing Corporations Only).....
5. Other Additions.....
6. Total (Add Lines 1 through 5) Enter here and on Line 8, Schedule 8.....

1
2
3
4
5
6**SUBTRACTIONS FROM FEDERAL INCOME****SCHEDULE 6**

1. Interest on obligations of United States
2. Depreciation allowed per I.R. Code as of 1-1-81 (ACRS-ASSETS) (Electing Corporations Only).....
3. Other subtractions
4. Total (Add Lines 1 through 3) Enter here and on Line 10, Schedule 8.....

1
2
3
4**APPORTIONMENT OF INCOME (Part 1)****SCHEDULE 7**

	WITHIN GEORGIA		TOTAL EVERYWHERE	
	a. Beginning of year	b. End of year	a. Beginning of year	b. End of year
1. Inventories.....				
2. Buildings (cost).....				
3. Machinery & Equipment				
4. Land				
5. Other Tangible Assets				
6. Total (Lines 1 through 5)				
7. Average (Add columns a and b and divide by 2)				
8. Rented Property (Annual Rate x 8)				
9. Total Property				

APPORTIONMENT OF INCOME (Part 2)

	a. Within Georgia	b. Everywhere (If this figure is 0 see instructions on page 2)	c. Do not round col. (a) / col. (b) Compute to Six Decimals	d. Do not round Georgia Factor Compute to Six Decimals
1. Total Property (Part 1 line 9).....			x 0.25	
2. Salaries, wages, commissions & compensation			x 0.25	
3. Gross receipts from business.....			x 0.50	
4. Georgia ratio (Total column d)				

COMPUTATION OF TOTAL INCOME FOR GEORGIA PURPOSES**SCHEDULE 8**

1. Ordinary income (loss) per Federal return.....
2. Net income (loss) from rental real estate activities
- 3 a. Gross income from other rental activities.....
- b. Less expenses
- c. Net business income from other rental activities
4. Portfolio income (loss):
 - a. Interest Income
 - b. Dividend Income
 - c. Royalty Income
 - d. Net short-term capital gain (loss)
 - e. Net long-term capital gain (loss)
 - f. Other portfolio income (loss)
5. Net gain (loss) under section 1231
6. Other Income (loss)
7. Total Federal income (Add Lines 1 through 6)
8. Additions to Federal income (Schedule 5 above).....
9. Total (Add Lines 7 and 8)
10. Subtractions from Federal income (Schedule 6 above)
11. Total income for Georgia purposes (Subtract Line 10 from Line 9)

1
2
3a
3b
3c
4a
4b
4c
4d
4e
4f
5
6
7
8
9
10
11**COMPUTATION OF GEORGIA NET INCOME**

(ROUND TO NEAREST DOLLAR)

SCHEDULE 9

1. Total income for Georgia purposes (Line 11, Schedule 8).....
2. Income allocated everywhere (Attach Schedule)
3. Business income subject to apportionment (Line 1 less Line 2)
4. Georgia ratio (Line 4, Part 2, Schedule 7)
5. Net business income apportioned to Georgia (Line 3 x Line 4)
6. Net income allocated to Georgia (Attach Schedule)
7. Total Georgia net income (Add Line 5 and Line 6)

1
2
3
4
5
6
7

NET WORTH TAX

INITIAL FILING AND DUE DATES

A new domestic or foreign corporation doing business or owning property in Georgia must file an initial net worth tax return on or before the fifteenth day of the third calendar month after incorporation or qualification. The initial net worth tax return is based on the beginning net worth (Federal Schedule L) of the corporation and covers the tax from the incorporation/qualification date to the year end. If this return is for a short period of less than six months, the tax due shall be 50%. The initial net worth return cannot be combined with the initial income tax return since the due dates do not coincide.

Thereafter, an annual return must be filed on or before the fifteenth day of the third month following the beginning of the corporation's taxable period.

EXTENSION OF TIME

A reasonable extension of time for filing may be granted by the Commissioner upon application on Form IT-303. It must be filed prior to the date the return is due and show that the delay is due to a reasonable cause. Georgia Law prohibits the granting of an extension of over 6 months from the due date of the return.

If the taxpayer has received from the Internal Revenue Service an extension of time within which to file his Federal return, taxpayer need not apply to the Georgia Department of Revenue for a similar extension of time. All that is required is a copy of the request for the Federal extension be attached to the Georgia return. If the taxpayer is filing a net worth tax return only and no income tax return is due, a separate extension must be applied for and the tax paid. Interest accrues at the rate of 12% per year on any tax due from the regular due date of the return until paid.

A taxpayer having a federal extension must also prepay the Georgia Tax accompanying such remittance with Form 560C. On Form 600S, credit for such prepayment should be claimed on line 2, Schedule 4. An extension of time does not alter the interest charge, nor the penalty for late payment of tax.

PENALTIES AND INTEREST

Penalties and interest may be avoided by payment of tax by the statutory due date of the return.

Penalty for delinquent filing--10% of tax due. Penalty for delinquent payment--10% of tax due.

In addition, interest at 12% per annum is due on a delinquent remittance from the date due until paid.

COMPUTATION OF TAX

The tax is graduated based on net worth. In the case of new corporations, this is the beginning net worth. Thereafter, it is the net worth on the first day of the corporation's net worth taxable year. Net worth is defined to include issued capital stock, paid in surplus and retained earnings. Treasury stock should not be deducted from issued capital stock.

Foreign corporations qualified in Georgia are taxable on the portion of net worth employed within Georgia as computed in Schedule 3, using the ratio computed in Schedule 2. In computing the ratio, the property factors will reflect total balance sheet assets within Georgia and everywhere. The gross receipts factors are determined per instructions on page 2. For net worth tax purposes, a foreign corporation is a corporation or association created or organized under the statutory laws of any nation or state other than Georgia.

Domestic corporations and domesticated foreign corporations are taxable on total net worth (100% ratio) and should not use the ratio computation in Schedule 2. For net worth tax purposes, a domestic corporation is a corporation or association created or organized under the statutory laws of Georgia. A domesticated foreign corporation is a foreign corporation which has agreed under the provisions of Georgia law to be treated as a domestic corporation and to be taxed on total net worth.

A net worth tax return must be filed by a dormant corporation and the tax paid to retain its charter. A foreign corporation admitted into Georgia must file a net worth tax return until it has withdrawn from Georgia. A corporation with a deficit net worth will pay the minimum tax shown in the table below. A corporation which has liquidated and is filing its final income tax return is not liable to file a subsequent net worth tax return.

All cooperative marketing associations are required to file a return using either Form 600 or 600-S, whichever is applicable. The tax on such corporations is \$10.00 per year.

NET TAX DUE OR OVERPAYMENT

Schedule 4 provides for the computation of the net tax due or the net overpayment of the two taxes.

Compute any penalty and interest due under the respective taxes and enter the amounts on the applicable lines.

Treatment of Short Period Net Worth Tax Return

All corporations filing a short period income and/or Net Worth Georgia tax return for any reason other than initial or final return shall compute the net worth in accordance with the following instructions.

The net worth tax shall be computed on the net worth per the ending balance sheet of the short period return. The tax is then prorated based on the number of months included in the short period return.

NOTE: Any short periods ending on the 1st to the 15th day of the month are backed up to the last day of the preceding month. Years

ending on the 16th day or later are moved forward to the last day of that month.

EXAMPLE

Corporation A files a three month short period return ending March 31, 2000. The Georgia taxable net worth per the March 31, 2000, balance sheet is \$90,000. The Georgia net worth tax is computed as follows:

Tax per scale \$100.00 x 3/12 = \$25.00 Net Worth Tax due.

NET WORTH TAX TABLE

DOMESTIC AND DOMESTICATED FOREIGN CORPORATIONS

Based on net worth including issued capital stock, treasury stock, paid-in surplus and earned surplus (line 4, Schedule 3).

Not exceeding \$10,000	
Over \$ 10,000.00 and not exceeding	
Over 25,000.00 and not exceeding	
Over 40,000.00 and not exceeding	
Over 60,000.00 and not exceeding	
Over 80,000.00 and not exceeding	
Over 100,000.00 and not exceeding	
Over 150,000.00 and not exceeding	
Over 200,000.00 and not exceeding	
Over 300,000.00 and not exceeding	
Over 500,000.00 and not exceeding	
Over 750,000.00 and not exceeding	
Over 1,000,000.00 and not exceeding	
Over 2,000,000.00 and not exceeding	
Over 4,000,000.00 and not exceeding	
Over 6,000,000.00 and not exceeding	
Over 8,000,000.00 and not exceeding	
Over 10,000,000.00 and not exceeding	
Over 12,000,000.00 and not exceeding	
Over 14,000,000.00 and not exceeding	
Over 16,000,000.00 and not exceeding	
Over 18,000,000.00 and not exceeding	
Over 20,000,000.00 and not exceeding	
Over 22,000,000.00	

FOREIGN CORPORATIONS

Based on net worth including issued capital stock, treasury stock, paid-in surplus and earned surplus employed within Georgia (line 6, Schedule 3).

	\$ 10.00
\$ 25,000.00	20.00
40,000.00	40.00
60,000.00	60.00
80,000.00	75.00
100,000.00	100.00
150,000.00	125.00
200,000.00	150.00
300,000.00	200.00
500,000.00	250.00
750,000.00	300.00
1,000,000.00	500.00
2,000,000.00	750.00
4,000,000.00	1,000.00
6,000,000.00	1,250.00
8,000,000.00	1,500.00
10,000,000.00	1,750.00
12,000,000.00	2,000.00
14,000,000.00	2,500.00
16,000,000.00	3,000.00
18,000,000.00	3,500.00
20,000,000.00	4,000.00
22,000,000.00	4,500.00
.....	5,000.00

IT-560-C (Rev. 3/00)

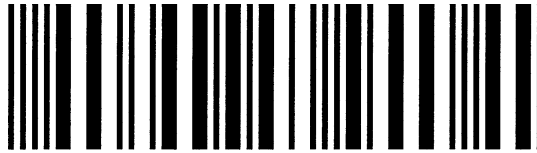
New Corporation



Address Change



Name Change



0005504711

**STATE OF GEORGIA
DEPARTMENT OF REVENUE
INCOME TAX DIVISION****PAYMENT OF INCOME TAX AND/OR
NET WORTH TAX TENTATIVELY
DETERMINED TO BE DUE**

(If YES, please show former name below)

Federal EI Number

PLEASE DO NOT WRITE IN THIS SPACE

Department
Use Only
Misc.

Name (Type or print plainly exact corporation title) Please print former name if applicable.

Business Address (Number and Street)

City or Town State Zip Code

Type of Tax

☐ Corporate Income Tax☐ Net Worth Tax

Income Tax Year (Month) (Day) (Year)

Amount of Payment Enclosed

\$

Signature of Officer or Agent _____ **Title** _____ **Date** _____

The amount paid is to be credited as a payment on the liability that may be due as reflected by the completed return of the above named taxpayer. Georgia Public Revenue Code Section 48-2-31 stipulates that taxes shall be paid in lawful money of the United States, free of any expense to the State of Georgia.

Make check payable to Georgia Income Tax Division. Please include FEI Number on check.PLEASE MAIL ENTIRE PAGE

IT-560-C

IMPORTANT**THIS FORM IS TO BE USED BY CORPORATION TAXPAYERS ONLY!****USE INCOME TAX YEAR OF RETURN****PAYMENT OF INCOME TAX AND/OR NET WORTH****TAX TENTATIVELY DETERMINED TO BE DUE****INSTRUCTIONS****THIS FORM IS TO BE USED TO SUBMIT ANY PAYMENT OF TAX WHEN AN EXTENSION IS
REQUESTED OR IN FORCE.**

When a taxpayer receives an automatic extension of time in which to file a Federal return, Georgia will honor that extension. No penalty for late filing will be assessed if the Georgia return is filed by the extended due date of the Federal return. The extension is for filing the return and does not extend the time for paying the tax. The tax must be paid by the statutory due date. An extension of time for filing does not relieve the taxpayer of liability for interest or penalty for late payment of tax.

The amount paid with this form should be claimed on the completed return as credits and payments.

Mail the completed form above with remittance to Department of Revenue, P.O. Box 740317, Atlanta, Georgia 30374-0317.

This form must be submitted with remittance to pay at least 90% of the tax that will be due as reflected on the final return. If 90% of the tax is not paid by the original due date of the return, a penalty of 1/2 of 1% per month of the tax due will be assessed as a late payment penalty. The addition of this penalty does not relieve the taxpayer of liability for interest due on the unpaid balance of tax. If you have questions, call (404) 656-4191.

CONSENT AGREEMENT OF NONRESIDENT STOCKHOLDERS OF S CORPORATIONS

Under Section 48-7-21(b)(7)(B) of the Georgia Income Tax Act and Regulations 560-7-3-.06(6) all nonresident stockholders must execute an agreement wherein said stockholders agree to pay Georgia income tax on their proportionate part of the corporation's Georgia taxable income or the S Corporation election will be terminated by the Commissioner. To ensure Georgia's recognition of your S Corporation election, a properly completed Form 600S-CA for each nonresident shareholder should be attached to Form 600S when filed.

IF ANY ONE OR MORE NONRESIDENT STOCKHOLDERS FAILS OR REFUSES TO FILE THE CONSENT AGREEMENT HEREIN, DO NOT USE FORM 600S, FILE ON FORM 600.

CORPORATE NAME		FEDERAL I.D. NO.
BUSINESS ADDRESS		
CITY	STATE	ZIP CODE

NONRESIDENT STOCKHOLDER

NAME	SOCIAL SECURITY NUMBER	
ADDRESS		
CITY	STATE	ZIP CODE
NUMBERS OF SHARES OWNED		

As a nonresident stockholder in the above captioned corporation, I hereby agree to file a Georgia Individual Income Tax Return, Form 500, and report my pro rata share of income and pay any tax that might be due on the return, for the above referenced tax year.

Date _____ Taxpayer's Signature _____

Create as many copies as needed.

TO: _____

GEORGIA BUSINESS CREDITS

Job Tax Credit

The act provides for a statewide job tax credit for certain business enterprises that have hired sufficient numbers of employees. Three tiers for the credit have been established. For additional information or Form IT-CA, contact the Office of the Commissioner of Community Affairs at (404) 679-1592.

Investment Tax Credit

The Investment Tax Credit program, available to manufacturers and telecommunications companies, is based on the same tiers as the Job Tax Program. The taxpayer must spend at least \$50,000 on an expansion project to qualify.

To be eligible for the investment tax credit, a taxpayer must purchase or acquire qualified investment property pursuant to an approved project plan (use Form IT-APP). The investment tax credit is computed on form IT-IC and is claimed on line 3, Schedule 4.

Optional Investment Tax Credit

The optional investment credit is similar to the regular investment tax credit. However, there are higher spending thresholds. Companies with projects of \$5 million, \$10 million, or \$20 million depending on location, may qualify. This credit provides for higher credit amounts as well as a 10-year calculation. As indicated with the regular investment tax credit above, prior approval is required (use Form OIT-APP). The Optional Investment Tax Credit must be computed on Form OIT-IC and claimed on line 3, Schedule 4 of the Form IT-600S.

Retraining Tax Credit

Retraining programs must enhance the functional skills of employees otherwise unable to function effectively on the job due to skill deficiencies or who would otherwise be displaced because such skill deficiencies would inhibit their utilization of new technology. The Retraining Tax Credit must be computed on a Form IT-RC and claimed on line 3, Schedule 4.

For a copy of the Retraining Tax Credit Procedures Guide, contact the Department of Technical and Adult Education at 404-679-1700.

Child Care Credit

For tax years beginning on or after January 1, 2000, the State of Georgia has a new and improved child care credit. Employers who provide or sponsor child care for employees are eligible for two possible credits. The first option provides a credit, which is 75% of the cost of operations, less any amount paid by employees. The second option provides a 100% write off over ten years for an employer who builds an onsite day care center. The credits are to be claimed on the Forms IT-CCC75 and IT-CCC100 and are claimed on line 3, Schedule 4.

Research Tax Credit

For tax year beginning on or after January 1, 1998, Georgia provides for a Research Tax Credit. Business enterprises that qualify for the federal Research Tax Credit may also qualify for a credit against their Georgia Income Tax. The credit is claimed on a Form IT-RD. For more information call the Tax Conferee's Office at 404-656-4171.

Small Company Business Growth Tax Credit

For tax years beginning on or after January 1, 1998 Georgia introduced a credit to reward rapidly growing small businesses. If your company has a Georgia taxable income of less than \$1.5 million then you may qualify. This credit rewards business enterprises which can show a 20% increase in Georgia net taxable income in each of three years. This credit is claimed on a form IT-RG.

Port Activity Tax Credit

For tax years beginning on or after January 1, 1998, taxpayers who otherwise qualify for the job tax credit or the investment tax credits can qualify for enhanced credit values from these tax credits. To qualify for the credit, the taxpayer must increase port traffic by 10% above their base year amount. For more details about this credit, call the Tax Conferee's Office at 404-656-4171.

In claiming each credit, please attach the form used to compute the credit. Each of the tax credits is available to offset income tax only, not net worth tax. Taxpayers must elect the investment tax credit, the optional investment tax credit or the job tax credit for their operations in Georgia, but only one for a given project. For more details about credits and the latest forms, please visit our website at: www2.state.ga.us/departments/dor/inctax/taxcredits.shtml or call the department and request the publication, "Information on Income Tax Credits for Georgia Businesses."